

**Education Audit Appeals Panel  
State of California**

Appeal of Fiscal Year 2002-03  
Audit Finding 03-4 by:

Brentwood Union School District,  
  
Appellant.

EAAP Case No. 04-17

OAH No. N2005110413

**Decision**

The Education Audit Appeals Panel has adopted the attached Stipulation and Proposed Decision of the parties as its Decision in the above-entitled matter.

Effective date: 27 June 2006.

IT IS SO ORDERED.

27 June 2006  
Date



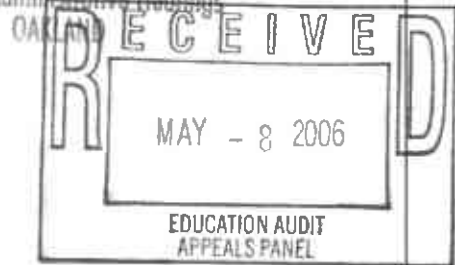
Thomas E. Dithridge, Chairperson  
for Education Audit Appeals Panel

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9 STEVE WESTLY, California State Controller

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Office of Administrative Hearings



10 BEFORE THE  
11 EDUCATION AUDIT APPEALS PANEL  
12 STATE OF CALIFORNIA

13 In the Matter of the Formal Appeal of:

14 BRENTWOOD UNION SCHOOL  
15 DISTRICT,

16 Appellant.

**EAAP Case No. 04-17**  
**OAH No. N2005110413**

**STIPULATION AND PROPOSED  
DECISION**

17 All of the parties to this action hereby agree to enter into the following stipulation,  
18 resulting in complete resolution of this matter. Accordingly, the State Controller's Office  
19 ("SCO"), the Department of Finance ("DOF"), and the Brentwood Union School District  
20 ("Brentwood" or "District") hereby agree as follows:

21 RECITALS

22 A. The independent auditing firm hired by the District, Stephen Roatch  
23 Accountancy Corporation ("Roatch"), conducted an audit of the District for the 2002-03 school  
24 year.

25 B. As set forth in audit finding 03-4/10000, found at pages 90 and 91 of Roatch's  
26 Audit Report, dated June 30, 2003, one middle school teacher who taught during the 2002-03  
27 school year did not possess a valid certification document for that year, in violation of  
28 Education Code section 46300(a).

1 C. The above-referenced audit finding states that the questioned cost for fiscal year  
2 2002-03 is \$49,684, as a penalty for employing a person without valid certification as a teacher,  
3 calculated pursuant to Education Code section 45037.

4 D. It was discovered that the middle school teacher who taught without a valid  
5 certification document during the 2002-03 school year taught in Brentwood without a valid  
6 certification document from 1986, with some breaks in service, until the teacher's removal from  
7 the classroom and subsequent resignation in 2003.

8 E. The school district has stated that the noncompliant audit finding being appealed  
9 is "due to an inadvertent single incident where a teacher willfully falsified documents submitted  
10 to the district." Brentwood stated in its letter of appeal that following the audit finding at issue,  
11 "each and every certificated employee in our district had his/her credentials re-verified on the  
12 [California Commission on Teacher Credentialing] website. The validity of all credentials for  
13 all certificated employees was verified." Brentwood further stated that it now "has solid  
14 procedures in place to verify proper certification" as required by Education Code section  
15 46300(a).

16 F. Brentwood timely submitted a letter of formal appeal of finding 03-4/10000 on  
17 November 8, 2005.

18 G. On December 2, 2005, the California Department of Finance, through its  
19 attorney Deputy Attorney General George Prince, filed a motion to intervene in the above-  
20 referenced matter. The Office of Administrative Hearings (OAH) granted the Motion to  
21 Intervene on December 9, 2005.

22 H. On December 5, 2005, the Education Audit Appeals Panel (EAAP) filed and  
23 served on the parties a Notice of Hearing. The hearing was originally scheduled for January 30,  
24 2006. However, on December 16, 2005, Brentwood filed a Request for Continuance, which the  
25 OAH granted by letter dated December 19, 2005. The evidentiary hearing was then scheduled  
26 to take place on March 20, 2006.

27 I. By letter dated March 6, 2006, the SCO requested that the OAH take the hearing  
28 off calendar because all parties had signed a settlement agreement intended to constitute a

1 complete resolution of the matter at issue. The OAH vacated the hearing date, and a hearing in  
2 the matter is no longer scheduled.

3 AGREEMENT

4 1. To effect a stipulated resolution of this action and to prevent the uncertainty and  
5 cost of further litigation, the parties agree to the following:

6 A. Brentwood acknowledges that audit finding 03-4/10000 is correct, and  
7 agrees to pay \$49,684, the penalty for failure to comply with Education  
8 Code section 45037 with respect to the 2002-03 fiscal year.

9 B. Although the parties acknowledge that the teacher whose actions resulted  
10 in the audit finding at issue taught in Brentwood without proper  
11 certification for periods in addition to the 2002-03 fiscal year, the parties  
12 agree that the SCO and the DOF will not seek penalties from Brentwood  
13 for periods prior to the 2002-03 fiscal year concerning the same teacher.

14 C. Brentwood agrees to withdraw, with prejudice, its appeal in EAAP case  
15 number 04-17, Office of Administrative Hearings case number  
16 N2005110413.

17 OFFICE OF THE STATE CONTROLLER

18 Dated: 4/24/06

19 By: Kelly W. Ching

20 KELLY W. CHING

21 Attorney for Respondent STEVE WESTLY,  
22 California State Controller

23 DEPARTMENT OF FINANCE

24 Dated: 4/19/06

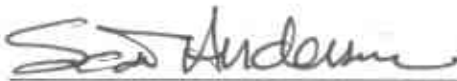
25 By: George Prince

26 GEORGE PRINCE

27 Deputy Attorney General  
28 Attorney for Department of Finance

BRENTWOOD UNION SCHOOL DISTRICT

Dated: 4/10/06

By:   
SCOTT ANDERSON  
Chief Business Official  
Brentwood Union School District